

OCT 24 1985

Docket No. 50-528

Arizona Nuclear Power Project P. O. Box 52034 Phoenix, Arizona 85072-2034

Attention: Mr. E. E. Van Brunt, Jr. Executive Vice President

Gentlemen:

Subject: NRC Material Control and Accounting Safeguards Inspection - Palo Verde, Unit 1

This letter refers to the routine safeguards inspection of your activity at Palo Verde Nuclear Generating Station (PVNGS), Unit 1, by Mr. A. Wieder of this office on October 7-10, 1985. It also refers to the discussion of our inspection findings with Mr. J. Bynum, Plant Manager and member of his staff on October 10, 1985.

Areas examined during this inspection are described in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and records, interviews with facility personnel and observations by the inspector.

Within the scope of the inspection, no violations were observed.

In accordance with Section 2.790(d) of NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of the findings of your safeguards and security procedures are exempt from public disclosure; therefore, the enclosed inspection report will not be placed in the Public Document Room and will receive limited distribution.

8510300144 851024 PDR ADOCK 05000528

MATERIAL TRANSMITTED REPORTE CONTAINS
2,790 INFORMATION

1E02

MATERIAL TRANSMISSION REPORTAL CONTAINS

Arizona Nuclear Power Projects

- 2 -

OCT 24 1985

Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,

James L. Montgomery, Chief Nuclear Materials Safety and Safeguards Branch

Enclosure:

Inspection Report

No. 50-528/85-35 (IE-V-717)

cc w/enclosure:

J. Bynum, ANPP

S. R. Frost, ANPP

T. D. Shriver, ANPP

W. E. Ide, ANPP

C. N. Russo, ANPP

Lynne Bernabei, (GAP)

Duke Railsback, (AZ Corp. Comm.)

Arthur C. Gehr, Esq.

bcc:

RSB/Document Control Desk (RIDS) (w/o enc.)

Mr. J. Martin

Mr. B. Faulkenberry

Resident Inspector (w/o enc.)

AWieder:dh 10/72/85

DMiller 10/21/85 MSchuster 10/7/85 JMontgomery 10/23/85